

Minutes

March 31, 2009

Wisconsin Department of Commerce

201 W. Washington Ave.

Madison, WI 53703

Conference Room 6A

9:30 A.M.-2:30 P.M.

Members Present:, Mike Simpson, Jeanne Whitish, Jerry Jones, Mark McDermid, Carl Komassa , Steve Aldridge, Renee Lesjak Bashel, Jean Beckwith, Tom Coogan;

Absent: Dan Martino

Presenters: Sue Bangert, Air/Waste Deputy Division Administrator (DNR), Larry Bruss (DNR), Tarna Gahan-Hunter (Commerce); Steve Sabatke (Commerce)

Renee began the meeting by introducing Sue Bangert, the Air & Waste Deputy Division Administrator at the DNR.

Sue Bangert Air/Waste Deputy Division Administrator (DNR)

Sue gave the group an overview of her lengthy tenure at the DNR and as an outside consultant. She has worked with the Industrial Wastewater, Hazardous Waste Program and the Air Program. Most recently she was in Waste Materials (formerly Hazardous Waste) as the Bureau Director. She is currently working with Al Shea as the Deputy Division Administrator working on policy. The Division includes Air, Waste, and the Environmental Assistance Program.

Sue has a strong relationship with small business needs – and has been interested in the outcome of the Printers Environmental Results Program (ERP) and the new Autobody project of Renee's. She will continue to look for ways to fund or support our program on becoming a multi-media effort. This would be particularly effective for small business because many construction projects need environmental assistance in more than one area -air, waste and/or water. Assistance is needed to navigate the City, State, and local Regulations.

The Division's goals include:

- Protection of human health and the environment
- Growing the economy
- Providing excellent customer service

Proposed Legislation and Funding issues:

Air Program

- Legislation is expected to be introduced later this year on climate change and global warming, integrating the DNR's Task Force's recommendations. DNR will work in conjunction with the PSC on implementing the governors' goals.
- Changes to NR 422 and 424 (which Renee provided summaries of later)
- Diesel Reduction Funding

Waste

- Climate change – recycling and beneficial reuse, methane capture at land fills
- Mercury Product legislation will be introduced - this will prohibit the sale of mercury-containing consumer products.
- Electronic E-Waste legislation has been introduced – requiring the recycling/reusing of electronic materials by both the manufacturer and the consumer. (SB107)
- Safe Burning Act legislation (AB114) – would give DNR citation authority for illegal burning of garbage. 200 complaints were processed last year and only 7 were referred to DOJ. This would give them an additional tool for the egregious offenders.

Remediation

- Sustainable cleanups – footprint of activity overall
 - energy efficiency of pumps or soil burners, etc.
 - other environmental friendly technology, weigh in final decision
 - recycling and reusing materials on site
- applying for stimulus money – brownfields, with Commerce on LUST grants, superfund

Discussion on the Lake Delton clean-up. The DNR responded to this disaster by hiring a not-for-profit contractor who specialized in this type of clean-up. They own specialized equipment which enabled them to separate valuable materials for recycling. If not for the stimulus package DNR would have had to drastically reduce R&R programs.

Action: Suggested Eileen Pierce give a presentation on the process used to undertake this effort.

Funding From Stimulus

- Diesel Emissions Reduction Act (DERA) funding – non-competitive grants of \$1.6 million will be utilized for both on-road and off-road projects including retrofits, re-powers and idle-reduction technology. They are currently working on the application for the competitive grant funding that is available.
- Brownfields -\$16 million has been awarded. One grant will be coming into the state, then will be disbursed – Commerce may get some of that funding
- Leaking Underground Storage Tank (LUST) grant – have requested \$6.5 million but is still in progress.
- Superfund request for federal \$ is still in process for an unknown amount.
- Forestry will be getting funds for habitat restoration and coastal management projects.
- Drinking water and wastewater projects are expected to receive some funding.

Green Tier reauthorization is ongoing. A municipal charter has been formed. This allows participants the ability to set up their own formal programs such as mercury reduction from the medical and dental groups. Fifteen entities have signed up.

Minnesota/Wisconsin efficiency collaboration was formed to save money in the Air and Waste Programs. Sharing resources like spill and emergency response efforts, contractors, and small business environmental compliance assistance. The governors from each state will be doing a press event today. Renee gave out a handout on the specifics she and Tom are working on for the small business portion of this effort.

- a) Develop a regional Autobody ERP
- b) Provide topical expertise through 800 numbers across state lines
- c) Develop outreach tools such as webcasts and compliance calendars

Some other issues that might be addressed are:

- a) Minnesota don't have a Compliance Advisory Panel (CAP)-they can use our expertise
- b) Site visits across the border when they are closer
- c) Minnesota is multimedia, how can they help us become multimedia? (when we have funding)

Q: What's your perspective on having a multimedia program?

Sue: Understand the multiple burden on businesses. Primer is a good resource. But funding needs are the issue. They will continue to advocate using Recycling \$ - both Sue and Al Shea support the concept. Difficult in the current budget to tap funding.

Q: Where does our recycling funding come from and how does Wisconsin's recycling program compare to Minnesota and Michigan program that charges a deposit per bottle?

Sue: Wisconsin landfills assess tipping fees of \$3.00/ton (in addition to whatever each landfill charges). WI boasts the most favorable recycling rate in the Midwest – at 35-40%. However, MN has a beverage container return rate of 80-90% versus WI's beverage container return rate of 50-60%. It is difficult to compare the programs.

Q: Still issues with other states bringing waste into WI?

Sue: No recent articles on the topic, but still ongoing. Amount fluctuates with cost of transport and other fees. In 2006 it was up and in 2007 down. Areas in southeast, Minn/St. Paul, and Duluth see biggest problems. Budget item to bring our fees closer to other states to resolve the problem – add \$4/ton waste.

Larry Bruss, Chief – Regional Pollutant & Mobile Source Section (DNR)

Larry gave a presentation on WI's Attainment and Non-attainment designations. There is good ozone and bad ozone, good being the stratosphere layer which protects everyone from UV rays. Bad being the layer trapped closer to earth mixed with NOx, VOCs and particulate matter. There are two standards of ambient air quality measures - the 1997 standard (0.08 ppm) and the 2008 standard (0.075) which represents a significant drop in air quality standards.

Health effects of poor air quality are:

- a) Premature death – exposure to fine particulate matter
- b) Lung function is decreased
- c) Increased asthma
- d) Depressed immune system
- e) Permanent change in lung structure

Welfare effects – social, economic, environmental

- a) Reduced visibility
- b) Reduced crops
- c) Interference with eco-system
- d) Acidification of lakes
- e) Damage to buildings/materials

Ozone non-attainment counties are located along Lake Michigan with the exception of Kewanee. DNR will be submitting redesignation requests in the summer of 2009 for all remaining counties. This should improve the business climate from an ozone perspective. Contributors to clean air include industrial controls, cleaner fuels, cleaner vehicles, power plant emissions reduction.

Fine particulate nonattainment counties are Dane, Milwaukee, Brown, Waukesha and Racine. EPAs designation was finalized in December 08 but has not been published. What happens to the businesses air permits when Milwaukee County is designated attainment status? They must still adhere to their permit requirements. There is a 'no back-sliding' clause that must be adhered to. Businesses would be better off building a business after attainment designation is received. All existing guidelines still apply.

Health benefits for clean air have anywhere from a 4:1 to a 10:1 ratio in money spent on controlling ozone and PM2 not including social and environmental benefits (like reducing lake acidification, increasing crop yields). Control programs can save the state several billion dollars in the coming years.

Tarna Gahan-Hunter – Policy Analyst (Commerce)

Tarna gave an overview of the Stimulus Package and what Wisconsin can expect. The website <http://www.recovery.wisconsin.gov/> was created by the Office of Recovery and Reinvestment to guide people as the funding comes in. Small business information can be found by clicking on 'program search' and 'miscellaneous' for a listing of the grants expected and awarded and the contact people (if known). The Stimulus Coordinator urges patience as the process unfolds. About 130 existing programs are expected to be impacted. Requirements for the funding include:

- Funds must be spent quickly
- Get businesses to create long term jobs over the next 3 years
- Funding must be sustainable
- Accountability - adhere to tight guidelines and transparency

Steve Sabatke - Economic Development Consultant (Commerce)

Steve gave an overview of the different programs he is working with.

- Industrial Revenue Bonds (IRBs) provides access to tax exempt bonds for expansions of businesses. Some of the rules have been loosened up. Recovery & Reinvestment funding now allows IRBs to be used for manufacturing and for 'intangibles' (i.e. software) where previously this was not allowed. Handouts on the competitive federal loans, loan guarantees and bonding for small businesses explain some of the guidance that has been received.
- Recovery Zone Bonds are intended to stimulate economic recovery in the 'recovery zones.' The benefits include tax exempt financing and lower interest rates. WI is expected to get a chunk of the \$15 billion but it is unknown how much. If you know of an interested business, the municipality must approve the project, a bond attorney must be hired, and a lender found.
- Taxable Bonds offer tax credit to whoever purchases the bond, it offers a lower rate of interest for the borrower. A governmental body will issue the bond on behalf of the business.

Steve urges interested people to go on the website <http://www.recovery.wisconsin.gov/> and do a program search, then be proactive – make calls.

Program Updates

Renee gave a brief demonstration on a website that tracks administrative rule changes/proposals. The scope statement will come up the first time you sign in. The statement gives a plain language analysis of each rule. Renee will monitor the site for the group and give a quick summary on each regulation. If you want to sign up individually, go to:

<http://apps.dhfs.state.wi.us/admrules/public/Rmo?nRmoId=5087>

The Small Business Administration – Office of Advocacy's Top 10 recommendation of rules to review is out. Eight of the ten rules remain from last year. Two new ones were added, but none the SBEAP Technical Subcommittee recommended made the cut. Work will continue on the requests that didn't make it into the Top 10.

The Environmental Information Summary is a good resource for those small business owners that wear a lot of hats-not just compliance. Incorporated some new resources from a regulatory summary that John Melby had developed with Southeast Regional staff help for the Abbott Labs project in Kenosha County.

Other Program Updates

Renee mentioned that the Printer Environmental Results Program (ERP) report will be drafted and ready for stakeholder review soon. She would like the council to take a look.

Tom's concept for a Compliance Calendar for Gasoline Service Stations became reality earlier this year. Tom worked with the Petroleum Marketers and Convenience Store Association and Commerce Environmental Regulatory Service staff in incorporating a combination of an EPA rule (National Emission Standard for Hazardous Air Pollutants), DNRs vapor recovery rule and

the Petroleum Tanks Comm 10 rule revisions into making the calendar. These rules affect all gasoline stations. Mark wondered if that would affect military installations. Share with him as he meets with Military group on May 6th (part of regular quarterly meetings). In review of the rules, none of them specifically exempt military stations, so these groups would be affected by the rules (depending on tanks and throughput).

Tom assisted the Dept of Transportation in setting up a program for funding they received from the DERA for \$750,000. All of this funding will go to repowers and retrofits in off-road applications.

Jean gave an overview of the Idling Reduction Grant Program:

For 2008

- \$2 million was available in funding, \$1.1 million was awarded
- 131 small fleets for 160 units, 18 large fleets for 233 units
- Efforts to spend unused funding included extending the application deadline and media outreach
- \$750,000 was lapsed into the general fund

Since the beginning of the program (2006):

- Small fleets have been awarded 333 idle reduction units
- Large fleets have been awarded 757 idle reduction units
- A total of 1090 units have been funded

The current budget proposal eliminates this program. We will wait and see what happens.

Action: A suggestion was made to invite Jerry Medinger from the Wisconsin Partners for Clean Air to hear about efforts in the nonattainment areas to reduce air emissions.

Next meeting date: **July 21 at Commerce (201 W. Washington Ave, Madison). The meeting will take place in Conference Room 6A.** Steve Aldridge suggested a meeting at his office space in Portage. Commerce staff will work with Steve to host a council meeting in Portage this Fall or next Spring.